



# PEEHIP

## Quarterly



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PUBLIC EDUCATION EMPLOYEES' HEALTH INSURANCE PLAN

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## PEEHIP and SEIB Differences

**R**ecently, a Benefits Advisor with the Alabama State Employees' Insurance Board (SEIB) sent an unauthorized email to many Public Education Employees' Health Insurance Plan (PEEHIP) members. The email was confusing and misleading to our members because it contained incorrect information regarding PEEHIP benefits and insurance premiums. PEEHIP would like to clear up the inaccurate information and advise our members to always carefully review their insurance plans before making changes.

If you are currently enrolled in Hospital Medical coverage with SEIB or PEEHIP and are contemplating changing coverage due to yourself or a spouse being an active employee with public education in Alabama or an SEIB eligible active state employee or a retiree through public education in Alabama, please realize there are differences in benefits between the Hospital Medical Plans of SEIB and PEEHIP.

### Differences in PEEHIP and SEIB benefits

While it is correct that the copay for an in-network physician office visit under the PEEHIP Hospital Medical Plan is \$20 and the copay for an in-network physician office visit for the SEIB Hospital Medical Plan is \$25, there are many other differences in benefits provided by the two plans.

For example, currently SEIB covers the Gardasil (HPV) vaccination and the Zostavax (Shingles) vaccination at 100%, while PEEHIP covers the Gardasil (HPV) and Zostavax (Shingles) vaccinations at 50%. The Gardasil vaccination is used to protect against four types of genital human papillomavirus types of which two types can cause cervical cancer. It is recommended for girls and women between the ages of 9 and 26. The Zostavax vaccination is used to reduce and protect against the risk of Shingles for age 60 and over.

SEIB also includes dental and limited vision coverage under the Hospital Medical Plan at no additional premium, while PEEHIP charges a separate monthly premium for both the dental and vision plans. The monthly premium is \$38 for the PEEHIP Dental Plan and \$38 for the Vision Plan. The

benefits and yearly maximums are also different between the plans.

The email also stated that the Vision Plan through SEIB was just vision discount services and that the PEEHIP vision insurance was actually insurance. Again, it is important to know that the vision coverage provided by SEIB is included in the total monthly premium at no additional monthly premium, whereas the PEEHIP Vision Plan is a separate policy administered through Southland National at a monthly premium of \$38.

### Differences in PEEHIP and SEIB Premium Rates

The email sent to PEEHIP members mentioned Vision, Cancer, Dental, and Hospital Indemnity coverage is provided to the PEEHIP member at no cost. The fact is that the state allocation will pay the full cost of the four Optional Plans with Southland National Insurance Corporation (Cancer, Dental, Hospital Indemnity and Vision) for a full-time active employee when the employee is **not** enrolled in one of the Hospital Medical Plans. If an employee wants to apply the state allocation to the Hospital Medical Plan or the HMO Plan, he or she may purchase one or more optional plans. The cost is \$38 per month for each plan. For a full-time employee, the cost for single Hospital Medical coverage is \$2 per month and \$134 per month for family Hospital Medical coverage.

Effective January 1, 2008, the monthly premium for a full-time state employee will be \$0 per month for the single Hospital Medical coverage and \$180 per month for the family Hospital Medical coverage. The dental coverage through Blue Cross Blue Shield and the state employees' discounted vision care program are included in the rate for the Hospital Medical Plan. Also, state employees can choose to use their state allotment and receive all four Optional Plans at no cost if they are not enrolled in the Hospital Medical Plan.

### Other Considerations

The email sent was intended to persuade PEEHIP members to

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# PEEHIP and SEIB Differences

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enroll in the PEEHIP Hospital Medical Plan and their SEIB eligible spouse to choose the Optional Plans under Southland National. However, this change may not be the best option for you and your family. There may be better benefits for a PEEHIP eligible member and their SEIB eligible spouse to enroll in the SEIB Hospital Medical Plan and the spouse to have the PEEHIP Optional Plans. Another important factor that was not mentioned in the email is that the open enrollment for PEEHIP and SEIB are at different times of the year. The IRS and HIPAA laws do not allow certain changes outside of the open enrollment period.

Unfortunately, PEEHIP is aware that some PEEHIP members did make changes to their insurance coverage that they later regretted based on the information contained in the email. They were unable to change back because the request was made after the open enrollment deadline. We sincerely regret this happened to our members. If the PEEHIP staff can assist you in any way, please contact us at 800-214-2158.

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## Zostavax Shingles Vaccine

**E**ffective October 1, 2007, the PEEHIP in-network benefits were enhanced to include coverage of the Zostavax (Shingles) vaccine. For members age 60 and over, the Zostavax vaccine requires a 50% coinsurance amount from the member. The benefits were designed for the Zostavax vaccine to be administered in a physician's office. The medical claim would be filed to Blue Cross and Blue Shield of Alabama by the physician's office to be eligible for coverage. In other words, the Zostavax benefit was set up to be covered under the **medical** benefits instead of the **pharmacy** benefits. However, PEEHIP has learned that because of the unique storage and handling of the drug as well as the high cost of the vaccine, many physicians are choosing not to purchase or supply the drug. Members are having difficulty finding a physician that will administer the vaccine to them.

To better assist our members, PEEHIP is working diligently to resolve this issue. We are working with Express Scripts, our pharmacy benefits provider, to have the Zostavax vaccine covered under the pharmacy benefit for those network pharmacists who are willing to purchase and administer the vaccine. Beginning January 1, 2008, PEEHIP will allow members age 60 and over who are enrolled in the PEEHIP Hospital Medical Plan to receive coverage for the Zostavax vaccine at either a network pharmacy or at a network physician. Members will still be required to pay 50% of the cost of the vaccine to the pharmacist. Members may be required to file a manual claim for the cost of the administration of the vaccine. We are hopeful that this change will allow more of our members to receive the Zostavax vaccine.

## Get more information about your prescription benefits

### Answers to your prescription drug plan questions

Ever wonder who is covered under your prescription benefit plan? Or had questions regarding your copayments and which drugs are covered? Express Scripts, the company chosen to administer the PEEHIP Prescription Plan, has the answers to these questions and more at [www.Express-Scripts.com](http://www.Express-Scripts.com).



### Get the information you need when you need it

Express-Scripts.com provides 24-hour online access to information regarding your prescription benefit. Visit the Web site today to:

- ◆ Find out about your copay amounts
- ◆ Verify coverage for eligible dependents
- ◆ View or print a list of drugs included in your formulary
- ◆ Learn about medications using Drug Guide
- ◆ Discover which generics are available in the Step Therapy Program
- ◆ Locate participating retail pharmacies near you
- ◆ Make the most of your doctor's appointment with "For Your Physician Visit"
- ◆ Review your 12-month prescription history
- ◆ Perform a Health Check to learn about your health risks
- ◆ Preview health articles in Health News

### Register now to access Express-Scripts.com

Accessing your prescription benefit online is quick and easy; just go to [www.express-scripts.com](http://www.express-scripts.com) then click on "Sign In Now" and complete the brief registration process to get started. You will have the information you need about your prescription benefit right at your fingertips. If you cannot find the information you are looking for, or do not have access to the web, please call Express Scripts at 866-243-2125 with questions about your prescription benefit. The goal for PEEHIP and Express Scripts is to help make the use of prescriptions safe and affordable for all our members.

# The New TriCare Law

**T**he new TriCare Law known as the John Warner National Defense Authorization Act for Fiscal Year 2007 (H.R.5122), was enacted October 17, 2006 (Public Law 109-364). Beginning January 1, 2008, this law will go into effect for PEEHIP, which requires any member of PEEHIP enrolled in both TriCare insurance coverage as primary coverage and the PEEHIP Supplemental Plan to discontinue enrollment in the **PEEHIP Supplemental Plan**. The PEEHIP Supplemental Plan is a medical plan that supplements the primary insurance coverage by covering copayments, deductibles and/or coinsurance not paid by the primary insurance plan. Because the state allocation pays the full cost of the PEEHIP Supplemental Plan, there is no premium charged to members enrolled in the PEEHIP Supplemental Plan.

## Implications

Effective January 1, 2008, active employees and non-Medicare eligible retirees who have TriCare as their primary coverage cannot also be enrolled in the PEEHIP Supplemental Plan. These members will automatically be removed from the PEEHIP Supplemental Plan effective January 1, 2008, but will be allowed to enroll in the PEEHIP Hospital Medical Plan or the Optional Plans administered by Southland National Insurance Corporation. To help you know if you are affected by this law, PEEHIP has mailed a letter to those who are currently enrolled in the PEEHIP Supplemental Plan and have TriCare as their primary coverage. PEEHIP will allow these members the opportunity to enroll in other coverage. PEEHIP must be notified by January 1, 2008, for those who wish to enroll in the PEEHIP Hospital Medical Plan or the Optional Plans effective January 1, 2008.

This new law will adversely affect our members and PEEHIP by requiring more out-of-pocket costs to members and higher claims costs for PEEHIP. Consequently, the PEEHIP staff and Board are extremely sorry that our members who are enrolled in the TriCare and PEEHIP Supplemental Plan must discontinue the plan. However, the new TriCare law mandates this change in coverage.

## PEEHIP Nurse Practitioner and Nurse Midwife Network

On October 1, 2007, PEEHIP began covering services provided by approved Certified Registered Nurse Practitioners (CRNP) and Certified Nurse Midwives (CNM). This benefit has been approved for providers affiliated with certain Provider Based Rural Health Centers (PBRHC) and Independent Rural Health Centers (IRHC) who meet the rural health clinic definition.

The expansion in nurse practitioner coverage will not change or eliminate the existing coverage in which a member can visit a non-network nurse practitioner. The claim will continue to be covered **if the claim is filed and billed by the in-network physician**. PEEHIP has established this provider network of Certified Registered Nurse Practitioner (CRNP) and Certified Nurse midwives (CNM) throughout the rural areas of the state of Alabama to assist our members who live in these rural areas. Members can access the Blue Cross Blue Shield of Alabama website at [www.bcbsal.org](http://www.bcbsal.org) and view the PEEHIP provider list of the Certified Registered Nurse Practitioners (CRNP) and Certified Nurse Midwives (CNM).

## Free Medications!

**A**re you or one of your dependents using a proton pump inhibitor medication such as Nexium, Prevacid, Protonix, Aciphex or Zegerid? If so, PEEHIP would like to offer you an opportunity to save money on your copayments. If you have had a prescription filled within the past 130 days for one of the brand name medications listed above, you are eligible to receive a therapeutically equivalent drug absolutely free for up to four months.

If you and your doctor agree that you are able to switch to the therapeutically equivalent generic drug, Omeprazole, you can participate in this special program. Your doctor should write a prescription for Omeprazole and indicate on the prescription that the brand name proton pump inhibitor medication should be discontinued. When a pharmacist processes the new Omeprazole prescription, the computer will automatically charge nothing (\$0) for your copayment for up to four months.

This \$0 copayment program has been extended for the entire plan year, October 1, 2007-September 30, 2008. This program will save you money on your copayments and will reduce the drug costs to PEEHIP if you continue to use the therapeutically equivalent generic medication instead of the brand name drug. Eligible members will receive a letter in the mail from Express Scripts or you can contact the Customer Service department at 866-243-2125 to find out if you are eligible.

## Updated Information on the Wellness Program

**T**he PEEHIP Wellness Plan is a joint project of the Alabama Department of Public Health and PEEHIP and provides wellness services to over 20,000 members per year. Members and dependents covered by the PEEHIP Hospital Medical Plan, HMO Plan, or the Optional Plans can receive free health screenings by the Public Health Department nurses at different sites during the year. All PEEHIP members and dependents are **required** to show their PEEHIP ID card before they will be allowed to receive services from the Wellness nurse.

Members who do not have a copy of their PEEHIP insurance card can go to the Blue Cross of Alabama website at [www.bcsal.org](http://www.bcsal.org) or the Southland National Insurance Corporation website at [www.southlandnationalpeehip.com](http://www.southlandnationalpeehip.com) and print a Temporary Authorization Letter as well as request a copy of their new card.

Services provided under the Wellness Program are the Weight Watchers at Work Program, flu shots, and health screenings such as blood glucose check, blood pressure check, and total cholesterol and HDL levels. Please contact the Wellness Division of the Alabama Department of Public Health for more information at 800-252-1818 or go to their website at [www.adph.org/worksitewellness](http://www.adph.org/worksitewellness).

## PEEHIP Retiree Medical Valuation Results

On October 29, 2007, RSA's actuary, Cavanaugh MacDonald Consulting, released the Report of Actuary on the Retiree Medical Valuation for September 30, 2006, to PEEHIP. The complete report can be viewed on the RSA Web site at [www.rsa.state.al.us](http://www.rsa.state.al.us).

## Southland National Insurance Corporation Updated Website

Southland National Insurance Corporation continually strives to improve relations with our members. In an effort to provide better service, Southland has expanded its website services. PEEHIP members can access eligibility and claims information with a simple click of the mouse. Members may also use the web service to look up DentaNet and Vision Choice providers, request ID cards, download plan booklets and print claim forms.

PEEHIP members can enroll for GroupWeb by going to the Southland National PEEHIP website at [www.southlandnationalpeehip.com](http://www.southlandnationalpeehip.com). Click on the globe icon. Site enrollment is quick and easy.

On the Web, members can

- ◆ Review their optional coverage selections
- ◆ Check the status of a claim
- ◆ See how much of their benefit is left for this plan year
- ◆ Find a Provider
- ◆ Request an ID Card
- ◆ Download the plan booklet
- ◆ Contact Southland National

## Possible changes with CVS Pharmacies

Express Scripts and PEEHIP have been reviewing the pharmacy costs under the current prescription plan. CVS has been highlighted as a high cost provider, especially on generic medications.

Express Scripts, on behalf of PEEHIP, is currently negotiating with the CVS pharmacies to renew the prescription drug contracts. It is our hope that they will soon come to an agreement on a contract and none of the PEEHIP members will experience any disruption in prescription drug services.

The CVS/PEEHIP contract topic will be presented to the PEEHIP Board of Control at the December 2007 PEEHIP Board meeting. If there are any changes to PEEHIP, all members will be properly notified in advance. **Until further notice, CVS is still a provider with the PEEHIP Express Scripts Prescription Plan.**

### PUBLIC EDUCATION EMPLOYEES' HEALTH INSURANCE PLAN

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**PEEHIP**  
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